

Prepared by: Benefits and Entitlements Branch  
November 2005

For Additional Information: (703) 696-6301 or DSN 426-6301  
Fax: (703) 696-4705 or DSN 426-4705

# **Federal Long Term Care Insurance Program**

*A Guide for Human Resources Specialists*

Defense Civilian Personnel Management Service  
Field Advisory Services Division  
1400 Key Boulevard, Suite B-200  
Arlington, Virginia 22209-5144

# LONG TERM CARE

The Long Term Care (LTC) Security Act was signed into law on September 19, 2000, known as Public Law 106-265. This Public Law gave the Office of Personnel Management the authority to contract with one or more insurance companies to offer the Long Term Care Program to Federal and military employees and retirees, and eligible family members. The LTC Program is administered by Long Term Care Partners, LLC---John Hancock and MetLife.

## ***What Is Long Term Care Insurance?***

LTC Insurance is insurance that pays benefits toward the cost of covered services that individuals receive because they are unable to care for themselves due to a chronic mental or physical condition. For example, long term care insurance helps pay for home health care, adult day care, or residence in a nursing home or an assisted living facility. An individual may need LTC benefits for an incapacity resulting from an accident or illness that requires assistance with two or more activities of daily living, such as eating, dressing, bathing, etc. Benefits are also payable in cases of significant cognitive impairment such as Alzheimer's disease.

## ***Cost for Long Term Care Insurance***

LTC premiums will be based on the applicant's age at the time Long Term Care Partners receives the application. New employees, employees in newly eligible positions, and their spouses can apply using the abbreviated underwriting application within 60 days of becoming eligible to apply. After the expiration of the 60 days, individual applications are subject to full underwriting.

## ***Who Pays for Long Term Care?***

The applicant pays for the LTC insurance. There is no government contribution towards the LTC costs. The premiums may be deducted from the employee or annuitant's pay as a scheduled allotment.

## ***What is Underwriting?***

Underwriting is the process of reviewing medical and health-related information furnished in an insurance application process to determine if the applicant presents an acceptable level of risk and is insurable.

### ***What is Abbreviated Underwriting?***

In this type of underwriting, the application has several health-related questions designed to determine who may be immediately eligible for benefits, or likely to be eligible for benefits within a relatively short period of time. Employees and members of the uniformed services who apply for the insurance coverage will answer seven questions and their spouses who apply will answer nine questions.

### ***What is Full Underwriting?***

In this type of underwriting, there are many more health-related questions. It may include a review of medical records and perhaps an interview with a nurse. This is the same level of underwriting that those who purchase individual policies in the private market undergo.

### ***Will There Be Annual Open Seasons?***

No, there will not be annual open seasons to sign up for the LTC Program. It is likely that The Office of Personnel Management will hold future open seasons, but not on a regular or frequent basis.

### ***Who is Eligible to Apply for Coverage in the LTC Program?***

Federal civilian and Postal employees are eligible to apply for the LTC coverage if they are in a position that conveys eligibility for the Federal Employees' Health Benefits (FEHB) coverage. An employee does not need to be enrolled in FEHB, just eligible to enroll. A complete listing of the types of civilian positions that are and are not eligible for FEHB may be found in the FEHB Handbook at [www.opm.gov/insure/handbook/FEHB06.htm](http://www.opm.gov/insure/handbook/FEHB06.htm).

There are two exceptions: Tennessee Valley Authority (TVA) employees and retirees **are** eligible to apply for the LTC coverage, even though they may not be eligible for FEHB. District of Columbia employees and retirees **are not** eligible, even though some may be eligible for FEHB. The information shown in the FEHB Handbook about TVA employees and DC Government employees is **not applicable** to the LTC Program.

Employees must be in a position that conveys eligibility for FEHB at the time they apply for the LTC coverage. If an employee has FEHB coverage due to previous eligibility and continuity of coverage provisions, but the employee's current position does not convey FEHB eligibility, the employee is **not** eligible to apply for the LTC coverage.

Temporary employees are eligible to apply for the LTC coverage under the same rules as FEHB. Once a temporary employee has completed one year of continuous current employment, they have 60 days from the date of first eligibility to apply for coverage using an abbreviated underwriting application.

Non-appropriated Fund employees are **not** eligible to apply for the LTC coverage.

Members of the uniformed services are eligible to apply when they are on active duty or full-time National Guard duty for more than a 30-day period. Members of the Selected Reserve **are** eligible to apply, however, members of the Individual Ready Reserve are **not** eligible to apply.

Federal civilian annuitants, including surviving spouses, other survivor annuitants, FERS MRA+10 annuitants, deferred annuitants (when they are receiving annuities), and compensationers are eligible to apply for the LTC coverage. Retired members of the uniformed services are eligible to apply for the LTC coverage when they are entitled to retired or retainer pay (including disability retirement pay).

The current spouse of an eligible Federal employee or annuitant may apply, however, a former spouse is **not** eligible even though they may be eligible for FEHB coverage under the Spouse Equity Provisions.

The parents, parents-in-law, and stepparents of living employees or living members of the uniformed services are eligible to apply, but those of annuitants and retired members of the uniformed services are not eligible. Parents-in-law include the parents of a deceased spouse, as long as the employee or member of the uniformed services has not remarried. A stepparent is the person who is currently married to the employee's parent, or if the parent is dead, the person who was married to the employee's parent at the time of their parent's death.

The adult children (age 18 or over) of living employees, living annuitants, or living members or living retired members of the uniformed services are eligible to apply for the LTC coverage. This includes biological children, adopted children, and stepchildren. Foster children are **not** eligible.

Qualified relatives may apply for the long term care coverage even if the employee to whom they are related does not apply or is not approved for coverage.

### ***Can an Employee in Nonpay Status Apply for LTC?***

An employee should not apply for the LTC coverage while in a nonpay status. The coverage will not become effective as long as the employee is in a nonpay

status. The application may no longer be valid by the time the employee returns to a pay status, because health and eligibility may have changed.

### ***How To Apply for the Long Term Care Coverage***

Each person **must** submit their own application and pass underwriting on their own. LTC Partners will accept full underwriting applications from eligible individuals at any time. Applications are located on the LTC Partners website at [www.ltcfeds.com](http://www.ltcfeds.com) or call 1-800-582-3337 (TDD for the hearing impaired: 1-800-843-3557).

### ***When will Long Term Care Coverage Become Effective?***

Once LTC Partners approves an application for coverage, they will send notice of the approval to the applicant and provide an effective date of coverage. An employee or member of the uniformed services must be actively at work for at least half of their regularly scheduled work hours on that date for coverage to take effect. Actively at work means that the employee is reporting for work at the usual place of employment or other temporary business location; the employee is able to perform all of the usual duties of employment; and the employee is not absent from work due to sickness, injury, annual leave, sick leave, or any other type of leave.

### ***Who Makes Insurability Decisions?***

LTC Partners makes all insurability decisions, and those decisions cannot be appealed to OPM. However, an applicant may ask LTC Partners to reconsider its decision.

### ***Is the Long Term Care Portable?***

Yes, the LTC coverage is portable once it is effective. An enrollee may continue coverage as long as the premiums are paid. The premiums do not change once an employee separates from Federal service.

### ***What is My Role in Respect to the LTC Program?***

Human Resources Specialists are not expected to become experts in the LTC Program details. They should assist employees with eligibility, in locating the forms on the LTC website, and explain the time limits for applying using the abbreviated underwriting application.